

DISPATCH		CLASSIFICATION S-E-C-R-E-T	DISPATCH SYMBOL AND NO. ECFW 8325
TO INFO	Chief of Base, Frankfurt Chief of Station, Germany	HEADQUARTERS FILE NO. [REDACTED]	
FROM SUBJECT	Chief, SR REDWOOD/AMCOSAIR/ABMANNER Project Administration - FY 1959 Obligations	DATE 5 FEB 1959	
ACTION REQUIRED 1. Submit PRO for [] comp, preferably before 1 March 1959. 2. Transfer letter drops & safecases to support [] projects where necessary. Notify Headquarters.		RE: "43-3" — (CHECK "X" ONE)	INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY
		MARKED FOR INDEXING	NO INDEXING REQUIRED

REFERENCES: A. **PROB 3119**

B. **DEPA 24774, 8 January 1959**

1. In this dispatch we will try to clarify the status of the Baltic KUGAGE projects and summarize discussions with [] on project administration. In order to simplify project administration, the old Baltic projects, ABMANNER, AMBASSY, AMCHAM, AMCOM, and AEROCOT are being discarded in favor of projects that will provide for the salary, housing and miscellaneous expenses for each principal agent that is run by FOB. Operational expenses incurred by these principal agents will be charged to SR/COA if it is developmental or to GALL/COA if it is CAVERNE, or to an appropriate functional project. The funding of CAVERNE operations is outside the scope of this dispatch, except to mention that expenses for CAVERNE operations should not be charged to Baltic projects. Mail drops, safecases, etc., if they are used exclusively for a specific functional project, should be written into that project. Otherwise they should be funded through an FOB support project. Agents in the developmental stage before payments or activities become regular should be financed from COA. When in line with regulations you think that an agent should be picked up on a regular basis please submit a field project outline for him.

2. We have taken the following actions in line with the above:

- a. Project AMCOSAIR has been submitted for approval to begin 1 February 1959. It has been reduced in scope to cover the salary and quarters of [] and [] only, plus their travel back to Germany and \$2,000.00 for AMCOSAIR cover. The total amount requested is \$11,758.48. We can expect action some time in February with approval retroactive to 1 February if it is approved. Meantime we have requested an extension of ABMANNER which will pay []'s salary and quarters through 31 January.
- b. Project AMFLIVER has been submitted to begin 1 September 1958 for the salary and quarters of [], who will now be known as []. Approval is expected before the end of February. Until that time [] will be funded through AEROCOT. We are requesting \$3,859.92 for AMFLIVER.
- c. We are writing a project AMFLICTOR to fund the salary and expenses of AMCOSAIR/3, who will be AMFLICTOR/1. Because we consider AMFLICTOR/1 to be still in the developmental stage, please charge his expenses to the appropriate COA until Project AMFLICTOR has been approved. He has never been officially carried under any project according to our records. We are requesting an amount for AMFLICTOR approximately that which you requested in the original AMCOSAIR field project outline. The project will be based on the old PRO and monthly project reports.

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d. As we understand

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FORM 10-57 53 (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION S-E-C-R-E-T	PAGE NO.
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<p>d. As we understand it [] does not provide regular information, nor does she receive regular payments. As long as this situation exists, spot payment for information or service can be charged to SR/CGA. If she becomes a regular base asset, a field project outline should be submitted.</p> <p>e. [] is an internal asset requiring no funding. However, we expect soon to write Headquarters a project to cover all Baltic internal assets.</p> <p>f. [] If payments for this mail drop are occasional and irregular, they should be handled through CGA. If payments are regular, this mail drop should be picked up by a support project.</p> <p>g. [] As we understand it, both of these are now inactive.</p> <p>h. [] is still developmental and can be charged to SR/CGA. When his OA is straightened out and he becomes a regular station asset, he can be placed under Project AIRWALK, or a new FPO written.</p> <p>3. In regard to paragraph 3 of Reference B we requested a field project outline for [] in line with paragraph 1 above. We request that this be written as soon as possible. Because it will probably be an EK project, due to the fact that [] is used predominately for GAVENHE activity, we will assign no new cryptonym at this time. In order to provide for his salary, housing, and car maintenance until a new project is written and approved, we will ask that AEMANNER be extended for the sole purpose of paying [] until 31 March 1959. His travel and operational expenses should be charged to the appropriate project or CGA. We regret that it is necessary to give such a short deadline for the FPO, but [] will risk forfeiting some salary if the new project is not approved by 1 April 1959.</p> <p>4. It is apparent from Reference B and FPO 1995 that the field allotment for AEMANNER is considerably lower than obligations already made. We assume that this is because operational and travel expenses may have been charged to AEMANNER which could have been charged to the appropriate project or the appropriate CGA. We have initiated action to get retroactive approval for these expenditures. However, we request that future operational and travel expenses be charged to CGA or another project, when appropriate. For example, when [] is working on ANGOSTASS, SR/CGA should be charged.</p> <p>3 February 1959</p> <p>Distribution: 2 - CGB, Frankfurt 2 - CGB, Germany 1 - RI 2 - SR/2</p> <p>SR/2/Baltic/JE:neb</p> <p style="text-align: right;">DS COPY</p>		